

Kosmas Helps Pass Tax Relief and Recovery Package

American Recovery and Reinvestment Act will Create or Protect over 200,000 Florida Jobs

(Washington, DC) – After voting for final passage of H.R. 1, the American Recovery and Reinvestment Act, Congresswoman Suzanne Kosmas (FL-24) issued the following statement:

"The American Recovery and Reinvestment Act is carefully crafted to help families and small businesses in our community. As your representative, I am focused on the families who are struggling to make ends meet, the men and women who are fighting to keep their jobs, and the small business owners that are desperate to keep their companies functioning. These are not Democratic or Republican faces, these are the faces of our community and they need help. Inaction is not an option and the stakes are too high for ideological games.

"The tax relief and recovery package means two things: lower taxes and more jobs. The tax cuts in this bill will provide immediate relief to working families, seniors, veterans and small businesses. And its targeted investments in education, roads and bridges, public transit, clean water, and alternative energy will create jobs and lay the groundwork for a long-term economic recovery.

"The legislation includes dedicated funding for human spaceflight, a real victory for the Space Coast economy. This funding will help protect jobs at Kennedy Space Center and across our community. I will continue fighting to fully fund NASA so we can minimize the gap between the Shuttle program and Constellation."

"And the bill will invest critical funds to help fill the gap in Florida's education budget. This will keep schools open and protect teacher jobs so that our children can get the education they need to compete in the 21st Century. While there is concern about Florida meeting the education spending levels required to receive some funding, I am committed to ensuring that the Department of Education waives arbitrary requirements and guarantees Florida its fair share.

"While not a perfect bill, the American Recovery and Reinvestment Act represents the change that Floridians are demanding. The tax relief and recovery package will help us take a bold step forward toward revitalizing our economy."

Why Florida Needs the American Recovery and Reinvestment Act

The state of Florida has been hit particularly hard by the nation's economic crisis. In 2008, Florida suffered the second worst job loss of any state with more than 255,000 jobs lost. As of December, Florida's unemployment rate was 8.1%.

The American Recovery and Reinvestment Act will invest billions in Florida and help our communities through these difficult economic times. It will provide immediate relief to schools in Florida who will see an increase in Title I and IDEA funds over two years to help low-income and students with disabilities. The American Recovery and Reinvestment Act also creates a state stabilization fund for Florida of \$2.7 billion to save jobs by staving off layoffs and harmful cuts to education. States could also use these funds to create new jobs by repairing, renovating and modernizing schools and colleges, providing students with clean, healthy, safe, energy-efficient and state-of-the-art learning classrooms and campuses.

The American Recovery and Reinvestment Act includes investments to help make college more affordable for students and families. Among other things the plan will increase the Pell Grant scholarship by \$500 for the next school year — which could benefit over 397,000 eligible students in Florida, and create a \$2,500 tuition tax credit for middle-class families. Both benefits would expand college access for students and help local economies by making sure that colleges don't generate fewer jobs or revenue due to declining enrollment.

The Recovery Plan also includes significant middle class tax cuts including the Making Work Pay Credit, which provides a tax credit of \$400 per worker for single workers earning up to \$100,000 and \$800 for married couples earning up to \$200,000. There are an estimated 6.9 million workers eligible for the credit in Florida according to the White House.

The American Recovery and Reinvestment Act has broad support, including the U.S. Chamber of Commerce and the National Association of Manufacturers. Economists and scientists across the political spectrum have told lawmakers that strategic investments in education will help Americans become stronger and more productive. By creating an economic stabilization fund to help states restore cuts in education funding and prevent deeper layoffs, this package will also help local and state school officials keep teachers in Florida classrooms.

In Florida, this package will make an immediate impact, creating or saving jobs and helping communities across the state:

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Creating or saving more than 200,000 jobs in Florida over the next two years in a wide range of industries from renewable energy to construction to health with over 90 percent of job creation occurring in the private sector. [Source: White House Estimate based on Romer and Bernstein, "The Job Impact of the American Recovery and Reinvestment Plan," January 9, 2009.]

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Providing a making work pay tax cut of up to \$800 for 6.9 million Florida workers and their families; 95 percent of Americans will receive a tax cut. [Source: White House Estimate based on IRS Statistics of Income]

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Making 195,000 Florida families eligible for a new American Opportunity Tax Credit to make college more affordable for working families by establishing a \$2,500 tuition tax credit for middle-class families. [Source: Center on Budget and Policy Priorities analysis of U.S. Census data]

The American Recovery and Reinvestment Act will help transform our economy by:

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Enacting the most significant expansion in tax cuts for low- and moderate-income households ever:

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Enacting the largest investment increase in our nation's roads, bridges and mass transit systems since the creation of the national highway system in the 1950s.

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Doubling renewable energy generating capacity over three years, creating enough renewable energy to power 6 million American homes

Support from Economists across the Spectrum

Independent economists have confirmed that the recovery plan will meet its goal of creating or saving 3 to 4 million jobs. Mark Zandi, chief economist for Moody's Economy.com and a former advisor to Senator John McCain's presidential campaign, found that the recovery plan would lead to an unemployment rate 2.2 percent lower than if we did nothing, and that more than 90 percent of jobs created would be in the private sector. [Zandi Analysis, 1/21/09]

Accountability and Transparency

The recovery plan will include several important provisions to ensure that spending is transparent and it is clear to the American people where the money is going. The plan includes no earmarks and the Obama Administration will publically post details on how the money is being spent at www.recovery.gov. These accountability provisions will give the American people the assurance that their money is being spent to get us out of this recession and is not subject to waste, fraud, or abuse.

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